

**Audited Financial Statements**

**Lafayette Crisis Center  
Foundation, Inc.**

**December 31, 2007 and 2006**

# **Lafayette Crisis Center Foundation, Inc.**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Lafayette Crisis Center Foundation, Inc.  
Lafayette, Indiana

We have audited the accompanying statements of financial position of Lafayette Crisis Center Foundation, Inc. (a nonprofit organization) as of December 31, 2007 and 2006, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lafayette Crisis Center Foundation, Inc. as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Reed & Company, P.C.*

Lafayette, Indiana  
October 24, 2008

# Lafayette Crisis Center Foundation, Inc.

## Statements of Financial Position

December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 53,374	\$ 46,175
Unconditional promises to give	103,457	105,618
Accounts receivable	2,847	0
Prepaid expenses	<u>2,118</u>	<u>2,107</u>
Total Current Assets	161,796	153,900
PROPERTY AND EQUIPMENT, at cost		
Land	5,000	5,000
Buildings and improvements	95,763	94,647
Furniture and equipment	<u>58,273</u>	<u>57,546</u>
	159,036	157,193
Less accumulated depreciation	<u>89,613</u>	<u>80,400</u>
	69,423	76,793
OTHER ASSETS		
Closing costs, net of amortization	327	394
GLSAPC cash (Note 4)	<u>0</u>	<u>5,716</u>
	<u>327</u>	<u>6,110</u>
TOTAL ASSETS	<u>\$ 231,546</u>	<u>\$ 236,803</u>

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statements of Financial Position

December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 11,046	\$ 3,917
Payroll taxes payable	2,225	2,757
Accrued expenses	8,474	6,647
Deferred revenue	0	5,333
Current maturities of long-term debt (Note 2)	<u>4,027</u>	<u>3,373</u>
Total Current Liabilities	25,772	22,027
LONG-TERM DEBT, less current maturities (Note 2)	19,133	23,441
GLSAPC fund balance (Note 4)	<u>0</u>	<u>5,716</u>
Total Liabilities	44,905	51,184
<b>NET ASSETS</b>		
Unrestricted	71,167	76,277
Temporarily restricted (Note 3)	<u>115,474</u>	<u>109,342</u>
Total Net Assets	<u>186,641</u>	<u>185,619</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 231,546</u>	<u>\$ 236,803</u>

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statements of Activities

For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
UNRESTRICTED NET ASSETS		
PUBLIC SUPPORT AND REVENUE		
United Way of Greater Lafayette	\$ 0	\$ 5,000
Foundations	5,333	8,500
Sustaining membership	11,683	11,071
Special events	13,651	17,796
Other donations	1,959	1,571
City of West Lafayette	8,000	8,000
Coalition for a Drug-Free Tippecanoe County	2,250	4,764
Other grants	0	2,000
Program service fee	1,775	1,095
Interest	255	231
Directory sales	1,455	2,165
Miscellaneous	928	1,804
Total Public Support and Revenue	<u>47,289</u>	<u>63,997</u>
NET ASSETS RELEASED FROM RESTRICTIONS		
Restrictions satisfied by payments	<u>118,268</u>	<u>111,117</u>
Total Public Support, Revenue, and		
Net Assets Released from Restrictions	165,557	175,114
EXPENSES		
Program services	100,940	90,354
Supporting services:		
Management and general	62,779	75,837
Fund raising	6,948	7,689
Total Expenses	<u>170,667</u>	<u>173,880</u>
INCREASE (DECREASE) IN UNRESTRICTED		
NET ASSETS	\$ (5,110)	\$ 1,234

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statements of Activities

For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
TEMPORARILY RESTRICTED NET ASSETS		
SUPPORT (Note 1)		
United Way Capital Grants	\$ 5,534	\$ 7,308
Benton Community Foundation	0	1,525
Greater Lafayette Community Foundation	3,500	1,500
White County Community Foundation	0	154
Lafayette Kiwanis Foundation	500	0
Tipmont REMC Operation Round Up Trust	733	1,819
Gannett Foundation	0	1,819
Tippecanoe County Department of Child Services	10,000	0
Indiana Youth Institute	676	0
White County United Way for next fiscal year	6,000	6,000
United Way for next fiscal year	97,457	99,618
	<u>124,400</u>	<u>119,743</u>
NET ASSETS RELEASED FROM RESTRICTIONS		
Restrictions satisfied by payments	<u>(118,268)</u>	<u>(111,117)</u>
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>6,132</u>	<u>8,626</u>
INCREASE IN NET ASSETS	1,022	9,860
NET ASSETS AT BEGINNING OF YEAR		
As previously reported	185,619	169,759
Prior period adjustment (Note 7)	0	6,000
Balance at beginning of year, as restated	<u>185,619</u>	<u>175,759</u>
NET ASSETS AT END OF YEAR	<u>\$ 186,641</u>	<u>\$ 185,619</u>

See Accompanying Notes to Financial Statements



# Lafayette Crisis Center Foundation, Inc.

## Statement of Functional Expenses For the Year Ended December 31, 2007

	<u>Total</u>	<u>Program Services</u>
Salaries	\$ 83,179	\$ 42,346
Payroll taxes	6,363	3,239
Employee benefits	12,935	6,393
Workers compensation	798	406
Professional fees	10,835	8,126
Supplies	2,732	2,273
Telephone	7,436	6,692
Postage	1,813	1,359
Utilities	3,445	1,973
Repair and maintenance	5,175	3,881
Maintenance contracts	3,235	2,426
Property insurance	2,183	1,250
General insurance	1,065	799
Conferences and meetings	1,268	634
Dues and subscriptions	4,325	4,325
Outside printing	8,857	7,972
Miscellaneous	310	234
Mortgage interest	2,333	1,336
Entertainment	820	0
Facility rent	910	0
Advertising	1,368	0
Depreciation	9,214	5,276
Amortization	68	0
Total Expenses	\$ <u>170,667</u>	\$ <u>100,940</u>

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statement of Functional Expenses For the Year Ended December 31, 2007

Supporting Services	
Management and General	Fund Raising
\$ 38,153	\$ 2,680
2,919	205
6,096	446
366	26
2,709	0
253	206
744	0
372	82
1,431	41
1,294	0
809	0
907	26
266	0
634	0
0	0
885	0
76	0
969	28
0	820
0	910
0	1,368
3,828	110
68	0
\$ 62,779	\$ 6,948

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statement of Functional Expenses For the Year Ended December 31, 2006

	<u>Total</u>	<u>Program Services</u>
Salaries	\$ 90,039	\$ 41,972
Payroll taxes	6,888	3,211
Employee benefits	13,331	5,999
Workers compensation	650	303
Professional fees	7,351	5,513
Supplies	4,173	2,951
Telephone	9,721	8,749
Postage	3,432	2,254
Utilities	4,027	3,020
Repair and maintenance	3,020	2,265
Maintenance contracts	2,095	1,571
Property insurance	2,251	1,688
General insurance	1,091	818
Conferences and meetings	1,290	645
Dues and subscriptions	1,104	828
Outside printing	6,962	6,266
Miscellaneous	496	374
Mortgage interest	2,569	1,927
Entertainment	750	0
Facility rent	970	0
Advertising	1,045	0
Depreciation	10,585	0
Amortization	40	0
	<u>          </u>	<u>          </u>
Total Expenses	\$ <u>173,880</u>	\$ <u>90,354</u>

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statement of Functional Expenses For the Year Ended December 31, 2006

Supporting Services	
Management and General	Fund Raising
\$ 45,152	\$ 2,915
3,454	223
6,888	444
326	21
1,838	0
328	894
972	0
751	427
1,007	0
755	0
524	0
563	0
273	0
645	0
276	0
696	0
122	0
642	0
0	750
0	970
0	1,045
10,585	0
40	0
<u>\$ 75,837</u>	<u>\$ 7,689</u>

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statements of Cash Flows

For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from public support	\$ 165,099	\$ 178,509
Cash received from interest	255	231
Cash paid to vendors and employees	(150,323)	(158,619)
Cash paid for interest	<u>(2,333)</u>	<u>(2,569)</u>
Net Cash Provided by Operating Activities	12,698	17,552
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	<u>(1,845)</u>	<u>(7,990)</u>
Net Cash Used by Investing Activities	<u>(1,845)</u>	<u>(7,990)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on long-term borrowings	<u>(3,654)</u>	<u>(4,321)</u>
Net Cash Used by Financing Activities	<u>(3,654)</u>	<u>(4,321)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	7,199	5,241
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of the year	<u>46,175</u>	<u>40,934</u>
End of the year	<u><u>\$ 53,374</u></u>	<u><u>\$ 46,175</u></u>

See Accompanying Notes to Financial Statements

# Lafayette Crisis Center Foundation, Inc.

## Statements of Cash Flows

For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
INCREASE IN NET ASSETS	\$ 1,022	\$ 9,860
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation and amortization	9,282	10,625
(Increase) decrease in assets:		
Unconditional promises to give	2,161	(5,000)
Accounts receivable	(2,847)	0
Prepaid expenses	(11)	(16)
Increase (decrease) in liabilities:		
Accounts payable	7,129	2,905
Payroll taxes payable	(532)	318
Accrued expenses	1,827	(1,140)
Deferred revenue	(5,333)	0
TOTAL ADJUSTMENTS	<u>11,676</u>	<u>7,692</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ <u>12,698</u>	\$ <u>17,552</u>

See Accompanying Notes to Financial Statements



# **Lafayette Crisis Center Foundation, Inc.**

Notes to Financial Statements  
December 31, 2007 and 2006

## **Note 1. Nature of Activities and Significant Accounting Policies**

### **Nature of Activities**

The Lafayette Crisis Center Foundation, Inc. provides crisis intervention, suicide prevention, rape survivor advocacy, and information about and referral to area agencies for the Greater Lafayette community and surrounding areas. The Organization's support comes primarily from the United Way of Greater Lafayette and White County United Way (64%) and local government agencies (12%).

### **Basis of Accounting**

The financial statements of Lafayette Crisis Center Foundation, Inc. have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

### **Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Financial Statement Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

### **Promises to Give**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Unconditional promises to give at December 31, 2007 and 2006 are due within one year of the statement of financial position dates.

### **Cash and Cash Equivalents**

For purposes of reporting the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.



# **Lafayette Crisis Center Foundation, Inc.**

Notes to Financial Statements

December 31, 2007 and 2006

## **Note 1. Nature of Activities and Significant Accounting Policies (continued)**

### **Donated Services**

No amounts have been reflected in the statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, fund raising activities, and various committee assignments. In 2007, the Organization received more than 12,400 volunteer hours, including 9,126 volunteer hours covering phone shifts and providing rape survivor advocate services to survivors. These volunteer services do not meet the recognition criteria under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*.

The provision of these services by volunteers represents a significant cost savings to the Organization and allows them to provide a much greater level of service with the resources available. If the Organization were to provide phone coverage and rape survivor advocate services with paid staff rather than with volunteers, the cost for the 9,126 hours of direct services is estimated to be \$153,590. This estimate is based on information obtained from Independent Sector, a leadership forum for charities, foundations, and corporate giving programs, whose research indicates that for Indiana, the value of a volunteer hour (based on 2006 data) is estimated to be \$16.83 per hour.

### **Property and Equipment**

Purchased property and equipment are recorded at cost. Expenditures for maintenance and repairs are charged to income when paid. Additions and improvements are capitalized.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. The straight-line method of depreciation is followed for substantially all assets. The range of useful lives used in computing depreciation is from three to forty years. Depreciation expense for the years ended December 31, 2007 and 2006 was \$9,214 and \$10,585, respectively.

# Lafayette Crisis Center Foundation, Inc.

Notes to Financial Statements  
December 31, 2007 and 2006

## Note 1. Nature of Activities and Significant Accounting Policies (continued)

### Intangible Assets

Closing costs were incurred from refinancing long-term debt during 2006. Amortization expense is being recorded over six years using the straight-line method and totaled \$68 and \$40 for the years ended December 31, 2007 and 2006, respectively.

### Economic Dependency

The Organization receives a significant portion of its annual revenue from the local United Way agency. Future operations rely on reasonable funding levels from that agency.

### Tax Status

Lafayette Crisis Center Foundation, Inc. is a not-for-profit voluntary health and welfare organization incorporated under the laws of the state of Indiana and as such is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1).

## Note 2. Long-Term Debt

Long-term debt consisted of the following as of December 31:

	<u>2007</u>	<u>2006</u>
Mortgage payable; monthly payments of \$495 including interest at 8.95%. Final payment is due in November 2012. The note is secured by the building.	\$ 23,160	\$ 26,814
Less current portion	<u>4,027</u>	<u>3,373</u>
Long-term debt	<u>\$ 19,133</u>	<u>\$ 23,441</u>

Aggregate maturities required on long-term debt at December 31, 2007 are as follows:

Years ending December 31:

2008	\$ 4,027
2009	4,403
2010	4,813
2011	5,262
2012	<u>4,655</u>
	<u>\$ 23,160</u>

# Lafayette Crisis Center Foundation, Inc.

Notes to Financial Statements

December 31, 2007 and 2006

## Note 3. Restrictions on Net Assets

The restrictions on net assets as of December 31, 2007 and 2006 relate to contributions for building improvements and equipment, for training expenses, and for program expenses, as specified by the donors. Those restrictions are considered to expire when payments are made.

Temporarily restricted net assets are available for the following purposes as of December 31:

	<u>2007</u>	<u>2006</u>
Building improvements and equipment	\$ 300	\$ 1,410
Program expenses	11,717	2,314
	<u>103,457</u>	<u>105,618</u>
For subsequent periods	<u>\$ 115,474</u>	<u>\$ 109,342</u>

The following is a schedule of changes in temporarily restricted net assets by purpose or program for the years ended December 31:

	<u>2007</u>	<u>2006</u>
Public Support		
Building improvements and equipment	\$ 5,708	\$ 7,308
IRIS on the Web project	14,059	0
Re-accreditation costs	500	0
Conference costs	676	0
Generator repair	0	1,500
211 Service	0	1,525
Volunteer training	0	3,638
Miscellaneous	0	154
	<u>103,457</u>	<u>105,618</u>
United Way funding for next fiscal year	124,400	119,743
Restrictions Satisfied by Payments		
Building improvements and equipment	6,818	7,584
Generator repair	0	1,500
Program services:		
IRIS on the Web project	4,059	0
Re-accreditation costs	500	0
Conference costs	676	0
Language Line	597	1,003
211 Service	0	1,900
Volunteer training	0	4,358
Miscellaneous	0	154
	<u>105,618</u>	<u>94,618</u>
United Way funding for fiscal year	<u>118,268</u>	<u>111,117</u>
Increase in temporarily restricted net assets	<u>\$ 6,132</u>	<u>\$ 8,626</u>

# **Lafayette Crisis Center Foundation, Inc.**

Notes to Financial Statements

December 31, 2007 and 2006

## **Note 4. GLSAPC Cash and Fund Balance**

The Organization is the fiscal agent of a Communities Against Rape (CARE) grant to the Greater Lafayette Sexual Assault Prevention Coalition, Inc. (GLSAPC). The fund balance represents the excess of funding received over disbursements made on behalf of GLSAPC.

## **Note 5. Defined Contribution Plan**

The Organization has a defined contribution plan (the Plan) covering all employees with at least one year of service who may elect to make contributions to the Plan. The Organization does not contribute to the Plan.

## **Note 6. Local Funding**

Support from governmental agencies consists of the following for the years ended December 31:

	<u>2007</u>	<u>2006</u>
City of West Lafayette	\$ <u>8,000</u>	\$ <u>8,000</u>

## **Note 7. Prior Period Adjustment**

The 2006 financial statements have been restated to reflect additional accounts receivable that were not included in the 2006 financial statements previously issued. The effect of this correction is an \$11,000 increase in unconditional promises to give as of December 31, 2006, a \$5,000 increase in 2006 temporarily restricted support, and a \$6,000 increase in temporarily restricted net assets at the beginning of 2006.

